Agreement between India and China

4508. SHRIMATI JAMANA DEVI BARUPAL:
DR. T. SUBBARAMI REDDY:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether betting on the untapped potential of the Indian telecom market, China's two largest telecom equipment companies have firmed up manufacturing plans in India;

(b) whether China's number two telecom equipment producer has already kicked up off operations at its new manufacturing facility at Manesar;

(c) if so, whether this company is planning to set up a manufacturing facility through a 100 per cent subsidiary in India;

(d) if so, whether any agreement between Indian Government and Chinese companies have been reached; and

(e) if so, the details thereof and by when these companies are likely to start manufacturing any telecom in India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) ZTE and Huawei, two of the Chinese companies have indicated their plan for manufacturing telecom equipments in India.

(b) and (c) M/s ZTE has indicated that they are establishing manufacturing facility at Manesar Haryana through its 100 per cent subsidiary company.

(d) and (e) Manufacture of telecommunication equipments does not require specific permission from the Government. Further, 100 percent foreign direct investment is also allowed under automatic route. No approval/agreement with Government of India is required for setting up telecom manufacturing unit.